



NEWS

Federal Communications Commission
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Cir. 1974).

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FCC PLANS \$3.9 MILLION FINE AGAINST COLORADO COMPANY FOR DECEPTIVELY SWITCHING CUSTOMERS' SERVICES AND ILLEGAL BILLING PRACTICES

Long Distance Phone Provider Allegedly Preyed On Elderly Consumers

Washington, DC – The Federal Communications Commission announces that it plans to fine Central Telecom Long Distance, Inc. \$3.9 million for allegedly deceiving consumers to switch their long distance service, billing customers for unauthorized charges, and failing to clearly and plainly describe charges on customers' bills. Many of these actions victimized elderly and disabled consumers.

The FCC found that telemarketers for Central Telecom, a Colorado Springs, CO company, allegedly tricked consumers into believing that the telemarketers were calling on behalf of the consumers' existing telephone companies, then changed the consumers' preferred carriers without their authorization. Many consumers stated in their complaints that they had never heard of Central or did not intend to sign up for its services.

"Deceptive marketing practices are bad enough, but when a company preys on our most vulnerable communities, that conduct goes from unacceptable to reprehensible," said Travis LeBlanc, Acting Chief of the Enforcement Bureau.

In many instances, Central and its representatives appear to have exploited elderly or disabled consumers' obvious confusion and inability to understand the sales pitch they heard and the questions they were asked. The FCC emphasized that this conduct was "particularly egregious," and it noted that a sizable fine was warranted in part because of the "substantial harm" that Central caused to the public. One particular complaint was filed on behalf of a deceased elderly grandmother whom Central continued to bill for months after she died and even after her telephone was disconnected.

The Notice of Apparent Liability is available at: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-14-58A1.pdf

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